GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4758
ANSWERED ON:18.12.2009
AMENDMENT IN SECTION P OF IT ACT
Kodikunnil Shri Suresh

Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Kerala has requested the Union Government to repeal the amendment made in section 80 (P) of Income Tax Act, since the same is adversely affecting the Co-operative Sector in the State since November 2006; and

(b) if so, the details thereof and action taken thereon?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir, the Government has received various representations from Members of Parliament, Union Ministers, State Ministers, State Governments, various stake-holders and representative bodies against withdrawal of exemption under Section 80P of the Income-tax Act, 1961. In the representations, a request has been made to restore the tax benefit under Section 80P of the Income-tax Act to all the cooperative banks.

(b) Upon due consideration of the representations, the Government has not found it feasible to accept the request made therein.